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September 6, 2000

OFFICE OF THE
EXECUTIVE SECRETARY

Mr. David Waddell
Executive Secretary
Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, TN 37243-0505

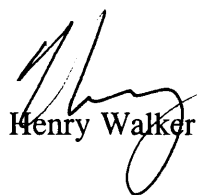
In Re: *Generic Docket to Establish UNE Prices for Lines Sharing per FCC 99-355, and
Riser Cable and Terminating Wire as Ordered in TRA Docket 98-00123.*
Docket No. 00-00544

Dear David:

Please find enclosed the original and thirteen copies of the Motion to File Surrebuttal and Surrebuttal Comments filed on behalf of BlueStar Networks, Inc., Covad Communications Company, Broadslate Networks of Tennessee, Inc. and Vectris Telecom, Inc. in the above-captioned proceeding.

BOULT, CUMMINGS, CONNERS & BERRY, PLC

By:


Henry Walker

HW/nl

c: Parties
Attachment

POSTED
9-7-00

BEFORE THE TENNESSEE REGULATORY AUTHORITY
NASHVILLE, TENNESSEE

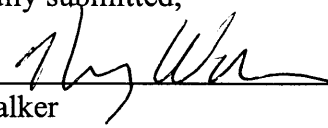
In Re: Generic Docket To Establish UNE Prices)
for Line Sharing Per FCC 99-355, and) Docket No. 00-00544
Riser Cable and Terminating Wire as)
Ordered in TRA Docket 98-00123)

MOTION TO FILE SURREBUTTAL COMMENTS

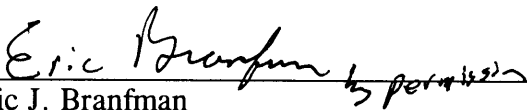
The "Data Coalition"¹ respectfully requests that the Authority accept for filing the attached Surrebuttal Comments in order to clarify two issues raised in the August 25, 2000 filing of BellSouth Telecommunications, Inc. ("BellSouth).

Since the Hearing Officer has indicated he will rely on the parties' filings to fix interim UNE rates, it is important that the Hearing Officer understand the exact nature of two proposal made by BellSouth. Because BellSouth itself has not fully explained these proposals, the Data Coalition asks leave to supplement the record with the attached comments.

Respectfully submitted,

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¹ The Data Coalition includes BlueStar Networks, Inc., DIECA Communications, d/b/a Covad Communications, Broadslate Networks of Tennessee, Inc. and Vectris Telecom, Inc.


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BEFORE THE TENNESSEE REGULATORY AUTHORITY
NASHVILLE, TENNESSEE

In Re: Generic Docket To Establish UNE Prices)
 for Line Sharing Per FCC 99-355, and)
 Docket No. 00-00544) Docket No. 00-00544
 Riser Cable and Terminating Wire as)
 Ordered in TRA Docket 98-00123)

SURREBUTTAL COMMENTS TO BELL SOUTH'S PROPOSED INTERIM RATES

BlueStar Networks, Inc. ("BlueStar"), DIECA Communications, d/b/a Covad Communications Company ("Covad"), Broadslate Networks of Tennessee, Inc. ("Broadslate"), and Vectris Telecom, Inc. ("Vectris")¹ (collectively, the "Data Coalition") file these surrebuttal comments to clarify two points in BellSouth Telecommunications, Inc.'s ("BellSouth") August 25, 2000, response to the interim rates proposed by the Data Coalition.

I. BellSouth's Proposed NonRecurring Loop Rate is Misleading

In BellSouth's Response, the company has suggested a much lower, nonrecurring loop rate than the company originally proposed. The company said that it "has discovered lower rates" contained in the BellSouth- BlueStar Interconnection Agreement in Kentucky which are applicable to "nonrecurring charges for 2-wire copper loops" (what BellSouth calls a "UCL" or "unbundled copper loop"). Based on the Kentucky Agreement, BellSouth now proposes an interim, nonrecurring charge of \$120.01 for the first UCL and \$85.63 for each additional loop. This is still higher than the \$113.85 rate BellSouth charges in Florida and is well above the Data

¹ Vectris filed a Petition for Leave to Intervene on August 11, 2000. The Authority has not yet ruled on the petition.

Coalition's proposal of \$31.99 (initial loop) and \$20.02 (additional loop). The Coalition's proposal is based on the cost of a basic, voice grade loop as calculated in BellSouth's cost study filed in the TRA's "Permanent Price" proceeding (TRA docket no. 97-01262).

The TRA should note, however, that BellSouth's proposed charge of \$120.01 is followed by this cryptic notation: "(NRC w/o LMU)." That notation stands for "nonrecurring charge without loop make-up information." However, because BellSouth will not provide a UCL without "loop make-up information" -- either through a separate pre-ordering loop make-up inquiry or as a service inquiry with a loop order -- the proposed \$120.01 rate is a fiction. The real nonrecurring charge for a UCL in the Kentucky Agreement is \$270.01 or \$260.01, depending on how the loop make-up work is accomplished.²

In other words, the TRA must be careful to interpret correctly BellSouth's proposed loop rates. While \$120.01 appears more reasonable than the company's original proposal, it is not a real offer but is inextricably tied to the company's proposed rates for loop make-up information.

² BlueStar's Kentucky agreement states that the nonrecurring, UCL charge is \$270.01, including "manual service inquiry and facility reservation," or \$120.01, "without manual service inquiry and facility reservation." In the latter case, however, the Agreement (Section 2.1.23.4.1, copy attached) requires BlueStar to pay a separate loop make-up service inquiry charge of up to \$140 (manual charge) or \$1.08 (mechanical charge). Because BellSouth does not yet offer the mechanical option for ordering xDSL-capable loops, BellSouth requires BlueStar to pay the \$140 manual charge, bringing the total, nonrecurring charge to \$260.01 (\$120.01 + \$140 = \$260.01) for the first UCL.

As the Data Coalition has previously noted, CLECs should not be required to pay the manual charge until BellSouth offers the option of mechanical (electronic) access. BellSouth has been under a legal obligation to provide electronic access to loop make-up information by May 17, 2000, but has yet to comply.

II. The “Problem” with SL1 Lines

The second point that needs clarification is whether CLECs can, as BellSouth suggests, simply order an “SL1” loop instead of a “UCL” for the provision of xDSL services and thereby avoid paying the higher UCL charges. While acknowledging that an SL1 loop “may be available as a means to support xDSL service,” BellSouth is quick to add that it “cannot guarantee” that the SL1 loop will work. What BellSouth is saying is that, since the CLECs believe there is no difference between a UCL and an SL1, they can proceed at their own risk to use the cheaper SL1 loop.

On its face, BellSouth’s proposal sounds reasonable. But BellSouth’s carefully worded statements do not explain why BellSouth will not guarantee that an SL1 loop will support xDSL service. The reason is this: BellSouth claims that it has the right, at any time, to disrupt xDSL service that is being provided on a “SL1” loop. Therefore, even if a CLEC finds a clean copper loop, orders the line as an “SL1,” and starts providing xDSL service over that line, BellSouth can unilaterally transfer the CLEC’s customer from a copper loop to a fiber loop or another copper facility which may also contain electronics, load coils, bridged taps, or other disturbers that do not interrupt voice traffic but render the line useless for xDSL service. Only if a CLEC orders that same loop as a “UCL,” rather than a SL1, is BellSouth willing to “guarantee” that no such subsequent alterations will occur.

BellSouth’s position was made clear in a recent response to a data request from the Georgia Public Service Commission (copy attached).

REQUEST: Please clarify the meaning of SL1 and SL2 and explain their impact on UNE data loops.

RESPONSE: SL1 and SL2 are designations for voice grade loops that are intended to provide dial-tone services such as POTS and are not intended for advanced data services such as DSL. It is possible that these loops may support DSL services if they happen to be provisioned on short "clean copper" facilities. However, because they are priced and inventoried as voice-grade circuits, they may be "rolled" to other types of voice-compatible facilities in the future. If they are "rolled" to a DLC system, they would no longer support most DSL services.

In other words, BellSouth reserves the right to "roll" an SL1 which is being used to provide DSL service to another technology incapable of supporting DSL service. Therefore, if the TRA was inclined to accept BellSouth's proposal to allow CLECs to order an SL1 in lieu of a UCL, the TRA should realize that the offer is conditioned upon BellSouth's unilateral right to interrupt DSL service, an offer no CLEC could be expected to accept. Clearly, since both BellSouth and the Data Coalition acknowledge that the copper SL1 loop and the UCL loop are the same facility, both loops should be priced at the same rate.

Respectfully submitted,

By: _____

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CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing has been forwarded via U.S. Mail, postage prepaid, to the following on this the 6th day of September, 2000.

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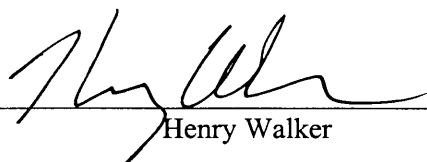
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ATTACHMENT

BellSouth Telecommunications, Inc.
Georgia Public Service Commission
Docket No. 11900-U
GPSC Workshop Requests
June 1, 2000
Item No. 22
Page 1 of 1

REQUEST: Please clarify the meaning of SL1 and SL2 and explain their impact on UNE data loops.

RESPONSE: SL1 and SL2 are designations for voice grade loops that are intended to provide dial-tone services such as POTS and are not intended for advanced data services such as DSL. It is possible that these loops may support DSL services if they happen to be provisioned on short "clean copper" facilities. However, because they are priced and inventoried as voice-grade circuits, they may be "rolled" to other types of voice-compatible facilities in the future. If they are "rolled" to a DLC system, they would no longer support most DSL services.

service other than ISDN, BellSouth will only support that the loop is capable of providing ISDN service. For non-service specific loops (e.g. UCL, loops modified by BlueStar using the Special Construction process), BellSouth will only support that the loop has copper continuity and balanced tip-and-ring.

- 2.1.22.5 In some instances, BlueStar will require access to a copper twisted pair loop unfettered by any intervening equipment (e.g., filters, load coils, range extenders, etc.), so that BlueStar can use the loop for a variety of services by attaching appropriate terminal equipment at the ends. BlueStar will determine the type of service that will be provided over the loop. In some cases, BlueStar may be required to pay additional charges for the removal of certain types of equipment. BellSouth's Special Construction process will be used to determine the costs and feasibility of these activities.
- 2.1.22.6 In cases in which BlueStar has requested that BellSouth remove equipment from the BellSouth loop, BellSouth will no longer be expected to maintain and repair the loop to the standards specified for that loop type in the TR73600 and other standards referenced in this Agreement. BellSouth will only support that these loops provide electrical continuity and balance relative to tip-and-ring.
- 2.1.22.7 BlueStar, in performance of its obligations pursuant to the preceding Section, shall maintain records that will reflect that pursuant to BlueStar's request BellSouth has removed certain equipment from BellSouth provided loops and as such the loop may not perform within the technical specifications associated with that loop type. BlueStar will not report to BellSouth troubles on said loops where the loops are not performing within the technical specifications of that loop type.
- 2.1.22.8 In addition, BlueStar recognizes there may be instances where a loop modified in this manner may be subjected to normal network configuration changes that may cause the circuit characteristics to be changed and may create an outage of the service that BlueStar has placed on the loop. If this occurs, BellSouth will work cooperatively with BlueStar to restore the circuit to its previous modified status as quickly as possible. BlueStar will pay the Time and Materials costs associated with BellSouth's work efforts needed to bring the loop back to its previous modified status.
- 2.1.22.9 The loop shall be provided to BlueStar in accordance with BellSouth's TR73600 Unbundled Local Loop Technical Specification and applicable industry standard technical references.
- 2.1.23 **Preordering Loop Make-Up (LMU)**
- 2.1.23.1 Description of Service
- 2.1.23.1.1 BellSouth shall make available to BlueStar loop makeup (LMU) data for BellSouth's network facilities which provides BlueStar nondiscriminatory access

wish to cancel a reservation on a spare facility, the cancellation will require a facility reservation number (RESID/FRN).

- 2.1.23.3.3 The reservation holding timeframe is a maximum of four days from the time that BellSouth's LMU data is returned to BlueStar for the facility queried. During this holding time and prior to BlueStar's placing an LSR, the reserved facilities are rendered unavailable to other customers, whether for CLEC(s) or for BellSouth. Notwithstanding the foregoing, BellSouth does not guarantee that a reservation will result assure BlueStar's ability to order the exact facility reserved.
- 2.1.23.3.4 If BlueStar does not submit an LSR for a UNE service order on a reserved facility within the four-day reservation timeframe, the reservation of that spare facility will become invalid and the facility will be released.
- 2.1.23.3.5 Charges for preordering LMUSI are separate from any charges associated with ordering other services from BellSouth.
- 2.1.23.4 **Ordering of Other UNE Services**
- 2.1.23.4.1 Whenever BlueStar has reserved a facility through BellSouth's preordering LMU service, should BlueStar seek to place a subsequent UNE LSR on a reserved facility, BlueStar shall provide BellSouth the RESID/FRN of the single spare facility on the appropriate UNE LSR., BlueStar will be billed the appropriate rate element for the specific type UNE loop ordered by BlueStar as set forth in this Attachment. BlueStar will not be billed any additional Loop Makeup charges for the loop so ordered. Should BlueStar choose to place a UNE LSR having previously submitted a request for *preordering LMU without a reservation*, BlueStar will be billed the appropriate rate element for the specific UNE loop ordered as well as additional Loop Markup charges as set forth in this Attachment. Rates are provided in the UNE Rate Exhibits for Attachment 2.
- 2.1.23.4.2 Where BlueStar submits an LSR to order facilities reserved during the LMUSI process, BellSouth will use its best efforts to assign to BlueStar the facility reserved as indicated on the return of the LMU. Multi-facility reservations per single RESID/FRN as provided with the mechanized LMUSI process are less likely to result in the specific assignment requested by BlueStar. For those occasions when BellSouth's assignment system cannot assign the specific facility reserved by BlueStar during the LMU pre-ordering transaction, BellSouth will assign to BlueStar, subject to availability, a facility that meets the BellSouth technical standards of the BellSouth type loop as ordered by BlueStar. If the ordered loop type is not available, BlueStar may utilize the Unbundled Loop Modification process or the Special Construction process, as applicable, to obtain the loop type ordered.
- 2.1.23.4.3 BellSouth offers LMU information for the sole purpose of allowing BlueStar to determine whether, in CLEC's judgment, BellSouth's loops will support the

2.1.23.3 LMUSI Types & Associated Charges

BlueStar may request LMU information by submitting LMUSIs in accordance with the rate elements listed below.

LOOP MAKEUP SERVICE INQUIRIES	USOC	NRC - All States
MANUAL		
Loop Makeup - Preordering Without Reservation, per working facility queried (Manual)	UMKLW	\$134
Loop Makeup - Preordering Without Reservation, per spare facility queried (Manual) <i>Maximum number of spare facilities per manual LMUSI is (3).]</i>	UMKLW	\$134
Loop Makeup - Preordering With Reservation, per spare facility queried (Manual) <i>Maximum number of spare facilities per manual LMUSI is (3).]</i>	UMKLP	\$140

MECHANIZED		
Loop Makeup - Preordering Without Reservation, per working facility queried (Mechanized)	TBD	\$1.08
Loop Makeup - Preordering Without Reservation, per spare facility queried (Mechanized) <i>Maximum number of spare facilities per mechanized LMUSI is (10).]</i>	TBD	\$1.08
Loop Makeup - Preordering With Reservation, per spare facility queried (Mechanized) <i>Maximum number of spare facilities per mechanized LMUSI is (10).]</i>	TBD	\$1.08

2.1.23.3.1 BlueStar will be assessed a nonrecurring charge for each facility queried as specified in the table above. Rates for all states are interim and subject to true-up pending approval of final rates by the respective State Commissions. True-ups will be retroactive to the effective date of this Agreement .

2.1.23.3.2 BlueStar may reserve facilities for up to four (4) days in connection with a LMUSI. Reserved facilities for which BlueStar does not plan to place a UNE local service request (LSR) should be cancelled by BlueStar. Should BlueStar